

Congress of the United States
Washington, DC 20515

July 14, 2011

The Honorable Harold Rogers, Chairman
Committee on Appropriations
H-307, The Capitol
Washington, DC 20515

Dear Mr. Chairman:

As the Committee on Appropriations continues to mark-up and report bills making appropriations for fiscal year 2012, the undersigned members of the Republican Study Committee (RSC) respectfully urge that provisions inhibiting the utilization of the private sector not be included in such legislation.

Government performance of commercial activities adversely affects the U.S. economy by duplicating activities available from commercial providers, increasing the government payroll, diverting public monies from inherently governmental activities the American people expect from their government, and reducing tax revenues to the government. Legislative provisions that prohibit, impede, interfere, obstruct, encumber, or delay the Office of Management and Budget Circular A-76 or competitive sourcing studies, or that provide for insourcing, are counter-productive to our goals of reducing the deficit, limiting the size of government, and creating private sector jobs.

According to data gathered pursuant the Federal Activities Inventory Reform (FAIR) Act, Public Law 105-270, more than 850,000 federal employees are in positions that are "commercial" in nature. Fewer than 10 percent of those positions have ever been studied under the "Yellow Pages test" to determine if private sector performance is more appropriate. The "Yellow Pages test" says if an activity is being performed by government that can otherwise be found from a business listed in the Yellow Pages, that activity should be reviewed for performance by a tax-paying, for-profit company, not a government entity.

This market test has been supported by administrations of both parties since the Eisenhower Administration in 1955. Implemented in OMB Circular A-76 and known as "competitive sourcing" in the Bush Administration, subjecting the commercially available activities of government agencies performed by federal employees saves 30 percent, even if the activity ultimately remains inside the government. When applied to all 850,000 positions, such a program could save as much as \$27 billion annually.

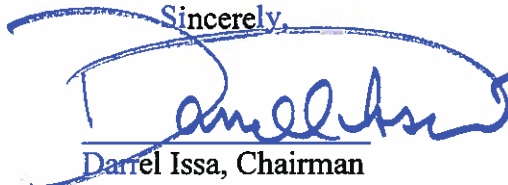
On June 2, an amendment to H.R. 2017, the Department of Homeland Security Appropriations Act, offered by Representative Sessions to promote competitive sourcing, was approved by a recorded vote of 218-204. On June 15, a similar amendment offered by Representative Sessions was included in H.R. 2112, the 2012 Department of Agriculture Appropriations Act, which passed by a recorded vote of 226-199, effectively demonstrating the will of Congress on this matter. On July 6, during consideration of H.R. 2219, the Department of Defense Appropriations Act, the House also agreed to similar amendments offered by

Representatives Sessions and Amash by a margin of 217-204 and 212-208, respectively. We believe Congress should continue to encourage small business and private sector job creation, not protect inefficient monopolies inside the bureaucracy


We respectfully urge you to keep similar anti-competition, anti-free enterprise provisions from the remaining appropriations bills.

Sincerely,



Nan Hayworth, M.D.
Member of Congress

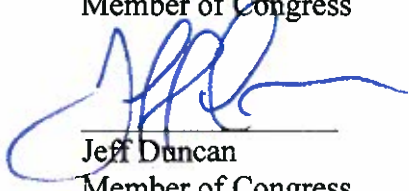

Darrel Issa, Chairman
Committee on Oversight
and Government Reform

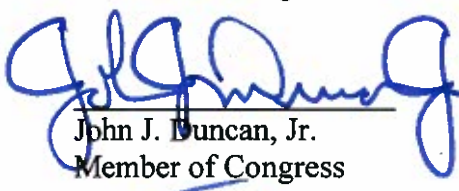

Pete Sessions
Member of Congress



Roscoe Bartlett
Member of Congress

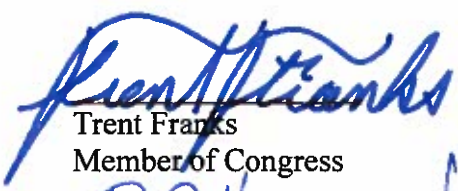

Diane Black
Member of Congress

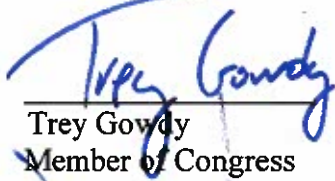

Marsha Blackburn
Member of Congress

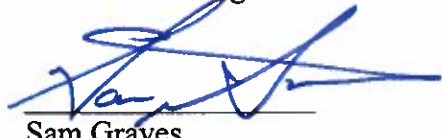

Jeff Duncan
Member of Congress

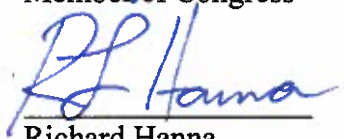

John J. Duncan, Jr.
Member of Congress

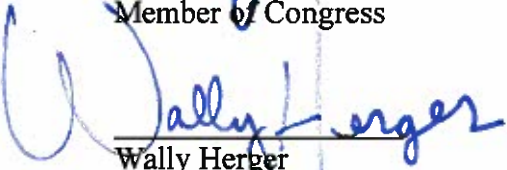

Bill Flores
Member of Congress



Trent Franks
Member of Congress


Trey Gowdy
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Sam Graves
Member of Congress

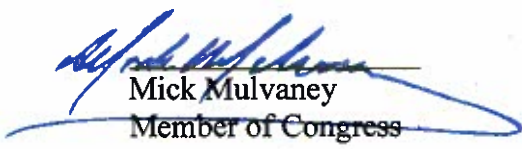

Richard Hanna
Member of Congress

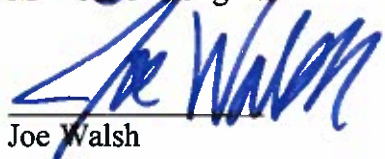

Wally Herger
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